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SUMMARY RECORD OF THE 27th MEETING

Chairman:	Mr. SENGWE	(Zimbabwe)
later:	Mr. ALOM (Vice-Chairman)	(Bangladesh)
later:	Mr. SENGWE (Chairman)	(Zimbabwe)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 3.05 p.m.

AGENDA ITEM 111: FINANCIAL REPORTS AND AUDITED FINANCIAL STATEMENTS, AND REPORTS OF THE BOARD OF AUDITORS (continued) (A/49/368 and A/49/943; A/50/1004 and A/50/1005; A/51/302, A/51/305, A/51/432, A/51/467, A/51/486 and A/51/530 and Corr.1)

1. Mr. KOSSY (Ukraine) said that his delegation unreservedly supported the recommendations contained in the reports of the Board of Auditors and the recommendations of the Advisory Committee on Administrative and Budgetary Questions (ACABQ). Ukraine attached great importance to the work of the Board, which helped to detect areas of weakness in the administrative and budgetary functioning of the United Nations and deficiencies in the internal oversight system.

2. While overall budgetary control and the level of professional expertise had improved, the deficiencies and problems in the administrative and budgetary sphere which had been identified by the Board in previous audits had persisted. Millions of dollars had been lost in peacekeeping operations through waste, mismanagement and fraud. In the areas of procurement, inventory and contract control, substantial amounts of various assets had been reported missing and there had been significant gaps in the acknowledgement of property transferred to other missions from the United Nations Transitional Authority in Cambodia (UNTAC), the United Nations Observer Mission Uganda-Rwanda (UNOMUR) and the United Nations Operation in Somalia (UNOSOM II).

3. His delegation was surprised at the Board's finding that letters of assist were not administered in accordance with the Organization's rules and procedures. As the Advisory Committee had requested, the Board should conduct a follow-up audit of its findings on the letters of assist in conjunction with its next audit and duly report thereon to the General Assembly.

4. Contract and inventory management needed considerable improvement not only in peacekeeping operations but throughout the Organization. Steps should therefore be taken to expedite the establishment of an assets-management system to balance the requirements of preparedness with cost-effectiveness and of flexibility with full accountability. Ukraine also shared the concern expressed by some Member States over the Organization's lack of proper procedures for completing the liquidation of major peacekeeping operations.

5. The system of procurement was another area of concern. Despite the reforms initiated by the Administration to improve the procurement process, the goals set out in General Assembly resolution 49/216 C had still not been achieved. Lack of effective planning was the main weakness of the current procurement system. Equipment shipped to peacekeeping missions, for example, was often either not used or in such poor condition that extensive repairs were needed. He hoped that the United Nations Development Programme (UNDP) and the United Nations Children's Fund (UNICEF) would heed the Advisory Committee's recommendations concerning the proper management of their funds. Despite the General Assembly's call in resolution 48/218 for personal accountability of staff in the performance of their duties, very little had been done by the

administrations concerned to hold their staff personally accountable, a situation which must be corrected.

6. Effective measures must also be taken to put an end to the widespread use of ex post facto approvals for large contracts, the inviting of bids exclusively from pre-qualified vendors without recourse to tender by advertisement, and the extension of contracts without bidding. Efforts should also be intensified to achieve a satisfactory geographical balance in the vendor roster.

7. His delegation welcomed the steps taken by the Board of Auditors to develop close cooperation with the Office of Internal Oversight Services and the internal audit services of various organizations. The exchange of information on issues of mutual interest between the Advisory Committee and the Joint Inspection Unit (JIU) was also highly appreciated. It was essential to ensure adequate coordination of audit activities in the organizations of the United Nations system and to implement more effectively the recommendations of the Board of Auditors. In that connection, the Board should indicate more clearly which of its recommendations had not been implemented and which violations of rules and regulations persisted. Finally, his delegation shared the view that the procedures established for the implementation of the recommendations of the Office of Internal Oversight Services could also be applied to those of the Board of Auditors.

8. Mr. Alom (Bangladesh), Vice-Chairman, took the Chair.

9. Mr. KELLY (Ireland), speaking on behalf of the European Union and of Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia, said that the reports of the Board highlighted the persistent problems and defects which existed in the financial administration and management of the Organization. While commending the Board for the quality of its reports, the European Union shared the Advisory Committee's view that the Board's recommendations should be less general and more measurable. The Board should also be more proactive in following up its recommendations and should place greater emphasis on "value-for-money" recommendations and on providing some indication of the savings that were likely to result from the implementation of its recommendations.

10. Given the importance of the Board's reports, it was all the more regrettable that their consideration continued to be hampered by the late submission of documentation. Many of the reports and financial statements had been issued just days previously, thus leaving insufficient time for them to receive due attention from Member States. The European Union therefore fully subscribed to the comments made by the Advisory Committee in paragraphs 7, 12 and 13 of its report (A/51/533).

11. Regrettably, the main impression gained from reviewing the financial reports and statements before the General Assembly was of failure on the part of the United Nations and its funds and programmes to address recurring faults. The persistence of problems, such as poor procurement planning, inadequate attention to the internal audit function, and failure on the part of implementing agencies to comply with agreements, could only be interpreted as a signal that the administrations concerned were still failing to give due

priority to ensuring that agreed recommendations of the Board were fully implemented. The Union therefore endorsed the Advisory Committee's comments on the need to improve significantly the follow-up to the Board's recommendations.

12. The European Union was also greatly concerned about the continuing deficiencies in the area of procurement. It had noted the response of the Secretary-General to the Board's recommendations on that subject and expected to be kept regularly informed about the steps being taken to ensure that its recommendations were being fully implemented.

13. More generally, the European Union concurred with the Advisory Committee that many of the deficiencies highlighted were merely symptomatic of a wider problem, namely, the lack of effective planning. It was precisely in order to tackle that and other related problems, such as the lack of transparency and confidence in the current system and the perceived lack of balance in the geographical distribution of procurement, that the reform of the procurement system had been initiated within the United Nations. The results of that process, however, were yet to be seen. For its part, the European Union remained committed to working for the establishment of an efficient, responsive and transparent procurement system throughout the Organization. In that regard, the successful efforts undertaken by the World Food Programme in reforming its procurement system provided a useful example.

14. A related issue was the need for an effective policy on the management of assets and inventory within the United Nations. Regrettably, the Secretary-General's proposals covered only one aspect of the problem, namely, the management of peacekeeping assets. Pending formal consideration by the General Assembly of those proposals, the Secretariat should make every effort to improve performance in that area and to avoid wasteful expenditure. Greater attention should be paid, for example, to ensuring that liquidation tasks within a peacekeeping mission were completed within a specified time period, as recommended by the Board of Auditors.

15. The Board's report on peacekeeping highlighted the very serious problem of payments made under protest by the Organization to host Governments in the context of certain peacekeeping missions. The European Union attached great importance to host Governments' concluding status-of-forces agreements as quickly as possible and complying fully with their obligations under such agreements.

16. The Union had noted with concern that the Board had been forced to qualify its audit opinion on the financial statements of six organizations in connection with peacekeeping operations. Qualification of an audit opinion was a serious matter and immediate steps should be taken to remedy the causes for the qualification. The Union's views on the qualification entered on the financial statements of United Nations peacekeeping operations were in line with those expressed by the Advisory Committee in paragraph 51 of its report, namely, that assessed contributions were collectable until the General Assembly decided otherwise. He therefore welcomed the clarification by the Board that, in qualifying its opinion, it was not in any way trying to suggest that long outstanding assessed contributions receivable should be cancelled.

17. The qualified opinion entered on the financial statements of UNDP, the United Nations Population Fund (UNFPA), the United Nations International Drug Control Programme (UNDCP) and the United Nations Environment Programme (UNEP) highlighted the failure of implementing and executing agencies to comply fully with funding and project agreements. The European Union was particularly concerned with regard to UNDP and fully supported the Board's recommendations that the Programme should take immediate steps to improve the modalities for national execution and to strengthen the monitoring and evaluation skills of Governments. There was clearly a need for improved oversight and control over implementing partners and for greater pre-assessment by the funds and programmes of capacity to implement projects. The European Union therefore fully concurred with the Advisory Committee's comments and recommendations on the matter contained in paragraph 25 of its report.

18. Concerning the audit of the UNDP reserve for field accommodation, the European Union noted with grave concern the failure of management oversight and control over the proper application of the Financial Regulations and Rules. If not properly addressed, those problems could affect the credibility and image of the United Nations worldwide.

19. With regard to the financial performance of the United Nations Habitat and Human Settlements Foundation (UNHHSF), the European Union shared the Advisory Committee's concern over the events which had given rise to a qualified audit opinion and agreed that they demonstrated a very serious disregard for United Nations procedures. The inappropriate decision to divert $900,000 from the Foundation's funds to meet the financing requirements of Habitat II highlighted the need for stricter control and more effective management of trust funds generally, including disciplinary action in the case of misuse.

20. The audit of UNHHSF also reconfirmed the need for insisting that administrations comply fully with existing procedures and regulations for the hiring of consultants. Many of the shortcomings in that area could be eliminated through proper planning and strict compliance with the Financial Rules and Regulations. The European Union therefore supported the Advisory Committee's recommendation that the Secretariat should revert to the previous practice of reporting regularly to the General Assembly, through the Advisory Committee, on the hiring of consultants.

21. On the issue of the personal accountability of staff members in the performance of their duties and the lack of satisfactory remedies for dealing with loss due to mismanagement or inept programme performance, the European Union shared the view that greater individual accountability was called for. In instances of loss due to mismanagement, prompt action should be taken to identify whether the losses were attributable to general deficiencies in operating procedures or to personal failure on the part of the staff members and management concerned to comply with established procedures. In the latter case, appropriate disciplinary action should be taken by the Secretary-General and the executive heads of funds and programmes.

22. On the matter of the extension of the term of office of the members of the Board, the European Union supported bringing the term of office into line with the length of the budgetary cycle for reasons of efficiency and follow-up.

23. The Union wished to place on record its appreciation of the excellent work which the Board of Auditors was performing to improve oversight of the United Nations and its funds and programmes and encouraged the Board to maintain and, where possible, strengthen its liaison with the Office of Internal Oversight Services and JIU in order to improve the coordination of oversight in the United Nations. It wished at the same time, however, to reaffirm the importance of maintaining a clear distinction between internal and external oversight.

24. Mr. Sengwe (Zimbabwe), Chairman, resumed the Chair.

AGENDA ITEM 141: REPORT OF THE SECRETARY-GENERAL ON THE ACTIVITIES OF THE OFFICE OF INTERNAL OVERSIGHT SERVICES (continued) (A/50/945, A/50/1004 and A/50/1005; A/51/302, A/51/305, A/51/432, A/51/467, A/51/486 and A/51/530 and Corr.1)

25. Ms. INCERA (Costa Rica), speaking on behalf of the Group 77 and China, said that the strengthening of oversight and audit functions was a fundamental means of achieving the efficient, transparent and responsible management of the Organization's resources, particularly in the light of the current financial crisis.

26. The cases of extravagance and irregularities which had been unearthed by investigations was a cause of concern for the Group of 77 and China, not only because of the material and monetary losses involved, but also and more significantly because of the considerable damage done to the Organization's image. The Group of 77 and China therefore wished to ascertain whether the Secretariat had been aware of all the irregularities uncovered; if so, for how long it had been aware, and what measures had been taken to stop or rectify the irregularities; what measures had been taken to remedy the situations made known to the Secretariat through the publication of the report contained in document A/51/432; what measures were proposed to avoid a recurrence of such cases; and had responsibility been determined and administrative measures taken against those responsible for the losses incurred by the Organization.

27. Those questions arose out of the following specific cases: the acquisition by the United Nations Peace Forces (UNPF) in Zagreb of 650 generators valued at $7.2 million which had either not been used or had been sent to other missions owing to the lack of a realistic needs assessment; the transfer in the same mission of equipment worth over $35 million without proper accounting and the lack of internal control over $50 million in reimbursement to troop-contributing countries, of which at least $185,000 had been based upon fraudulent claims; in the United Nations Mission in Haiti (UNMIH), the situation arising from the losses incurred by the forgoing of substantial prompt payment discounts to vendors, which had cost the Organization $12.4 million; also in UNMIH, the questions related to the shipping of equipment identified as either unusable or in poor condition, resulting in unnecessary costs of $328,000; the situation that had arisen from the overpayment of mission subsistence allowances; the shipping of 59 containers of expired food rations from UNOSOM to UNAMIR, which had incurred substantial unnecessary shipping costs and port charges and the expenditure of $40,000 in connection with the bidding process; in the United Nations Disengagement Observer Force (UNDOF), the alleged use by contractors of United Nations trucks for smuggling purposes and the alleged mishandling of the

bidding process; the use of the printing shop in the United Nations Office at Geneva for private jobs; overpayment of Habitat and UNEP staff; the purchase of an electronic security and card access control system for Headquarters in New York which had never been installed and which had resulted in a net loss of more than $1.3 million.

28. Lastly, the Group of 77 and China would welcome clarification of the relationship between the Office of Internal Oversight Services and the Efficiency Board.

29. Mr. OGAWA (Japan) expressed his delegation's satisfaction at the progress made towards meeting the objectives set out in General Assembly resolution 48/218 B, by virtue of which the Office of Internal Oversight Services had been established. Greater emphasis was now being placed on the follow-up to audit recommendations and to monitoring activities. The cooperation of the departments concerned was essential to the implementation of the Office's recommendations, and it was therefore regrettable that certain departments had not taken the recommended corrective actions.

30. He welcomed the Office's efforts to coordinate its programme with those of other oversight bodies, including the Board of External Auditors and the JIU. In order to avoid duplication and to ensure effective coordination, it might be necessary to review the existing arrangements between the Office and other oversight bodies, particularly JIU, and to clearly define the terms of reference for the specific activities of the two bodies.

31. His delegation had several questions, however, about the ability of the Office of Internal Oversight Services to discharge its mandate. The first was whether the establishment of the Office had made a difference in the area of oversight. It would also be useful to know whether the Office was merely the sum of the functions previously carried out by the various units which had been responsible for auditing and evaluating activities prior to its establishment. He would welcome the views of the Under-Secretary-General for Internal Oversight Services on the matter.

32. Secondly, his delegation believed that the Office's audit, inspection and evaluation functions, while conceptually distinct, shared many common elements. The question therefore arose as to whether the current organizational structure of the Office enabled it to discharge its responsibilities as efficiently as possible.

33. While his delegation appreciated the Office's efforts to identify specific problems or irregularities within the United Nations system, a more important objective for the Office was to identify the root cause of those symptoms. In his delegation's view, that root cause was the management system and its culture, and the next report of the Secretary-General on the Office's activities should accordingly contain a more extensive treatment of that fundamental issue.

34. In conclusion, the Office of Internal Oversight Services should not content itself merely with identifying and reporting on the problems and irregularities that beset United Nations bodies. Rather, its main task should be to provide management advice to every part of the United Nations system. It should become

a proactive instead of a reactive body. Only then could it become a true instrument of reform within the United Nations.

AGENDA ITEM 140: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACEKEEPING OPERATIONS (continued) (A/48/622 and A/48/912; A/49/654, A/49/906 and Corr.1 and A/49/936; A/50/684, A/50/797, A/50/907, A/50/965, A/50/976, A/50/983, A/50/985, A/50/995, A/50/1009 and A/50/1012; A/51/389 and A/51/646; A/C.5/50/51; A/C.5/51/8)

35. Ms. DUSCHNER (Canada), speaking on behalf of Australia, Canada and New Zealand, said that her delegation was pleased with the success of the new budget cycle implemented pursuant to General Assembly resolution 49/233, since it had streamlined the administrative and budgetary process for the financing of peacekeeping. With respect to death and disability benefits for United Nations peacekeeping troops, she favoured the concept of a global insurance scheme and felt that there should be no direct contractual or statutory link between individual members of military contingents and the United Nations. Since each Member State had its own legislation on compensation for its soldiers, she questioned whether the proposed insurance scheme, which limited reimbursements, was in keeping with the principle, laid down in General Assembly resolutions 49/233 and 50/223, that compensation to the beneficiary should not be lower than reimbursement by the United Nations.

36. With respect to management review officers and roving finance officers, she asked how their functions would differ from those of existing oversight mechanisms, what time limits would be set for roving officers to carry out temporary functions as a stopgap measure and whether such officers would be part of the rapidly deployable mission headquarters. With respect to the Peacekeeping Reserve Fund, she agreed that the Fund should contain the equivalent of at least one month's peacekeeping expenditure. There was no need to increase the mandated level of the Fund, but the current balance was well below that level because of unpaid contributions to the regular budget. She was concerned about the excessive delays in reimbursements to troop-contributing countries, which were attributable to the failure of some Member States to pay their assessments in full, on time and without condition.

37. Since a review of the rates of reimbursement to the Governments of troop-contributing States was long overdue, she called upon the Secretariat to complete the new survey on troop costs and submit its report by the spring of 1997, and she urged troop contributors to respond promptly to that survey. With respect to the management of peacekeeping assets, she regretted the delay in the submission of the Secretary-General's reports on the cost estimates and budget of the United Nations Logistics Base in Brindisi, the cost-benefit analysis and the North Atlantic Treaty Organization (NATO) Codification System. She agreed with the Advisory Committee (A/50/985, para. 22) that the Logistics Base could not become fully operational unless it had regular financing in the form of an approved budget. Since it seemed inappropriate to finance the Base from the budgets of current peacekeeping missions, it might be preferable to view the Base as a mission and to provide it with its own assessed budget. That approach would increase transparency with respect to operating costs. Alternatively, the Base could be regarded as a core peacekeeping activity and included in the budget of the Department of Peacekeeping Operations.

38. She shared the Advisory Committee's concerns about the absence of standards for the disposal of peacekeeping assets (A/50/985, para. 17). A comprehensive assets management strategy was essential in view of the magnitude of the current task of liquidating peacekeeping operations. She was particularly concerned about the deterioration of stocks at the Logistics Base owing to insufficient storage space and inappropriate handling. A detailed examination of the Base, in the context of the wider need for a cost-effective and viable inventory and asset control system, should be undertaken, either by an expert consultant or by an open-ended group of experts from interested Member States, set up along the lines of the very effective ad hoc Working Groups on Contingent-Owned Equipment.

39. Canada had been the first country to negotiate a contribution agreement with the United Nations, along the lines of the model agreement contained in document A/50/995. However, there were some inconsistencies between the report of the Phase III Working Group (A/C.5/49/70), which had been approved by the General Assembly, and the model agreement; she wondered whether the latter would be amended accordingly. Lastly, she called for a comprehensive review of the special scales of assessments for peacekeeping.

40. Mr. Alom (Bangladesh), Vice-Chairman, took the Chair.

41. Mr. KAMAL (Pakistan) said that the report of the Board of Auditors had highlighted many problems which raised doubts about the Secretariat's efficiency. Despite repeated requests, including the one contained in paragraph 13 of General Assembly resolution 50/221 B, information vital to the issue under consideration, such as details on the use of loaned officers in the Department of Peacekeeping Operations, had not yet been provided. He did not understand why the Secretariat had chosen to disregard a specific instruction issued by the Fifth Committee, which should reiterate its position regarding the provision of documents and information in a timely and efficient manner.

42. With respect to death and disability benefits for peacekeeping troops, uniform criteria for compensation must be ensured, since the value placed on the lives of United Nations peacekeepers could not depend on their country of origin. In view of the risks faced by those troops on a daily basis, and since peacekeeping was one of the Organization's primary functions for the maintenance of international peace and security, decisions on peacekeeping could not be deferred just because the Secretariat was unable to provide information on time or because of vested interests in favour of maintaining the status quo. Regarding the Secretariat's previous indication that the direct cost, to the United Nations budget, of travel and daily subsistence allowances in connection with gratis military officers had come to $248,000 in 1995, he wished to know the equivalent figure for officers in the Department of Peacekeeping Operations who had not been provided gratis by Governments.

43. Mr. KASANDA (Zambia) recalled that the General Assembly had approved by consensus, in its resolution 46/206, the inclusion of Zambia in the list of least developed countries. The economic problems triggered in Zambia by a sudden drop in copper prices in 1974 had not yet been overcome, as shown by the fact that the country's output had declined in five out of the last six years. Moreover, government finances were in poor condition, as tax revenues in 1994

had represented only 10.6 per cent and non-tax revenues, only 0.4 per cent, of the gross national product (GNP).

44. The Zambian Government hoped to correct its macroeconomic imbalances by stimulating investment through sustained budget surpluses, which it intended to achieve by curtailing its expenditure. Consequently, he asked the Committee to shift Zambia from group C to group D in the apportionment of the expenses of the United Nations related to peacekeeping operations, with effect to 1 January 1997. He trusted that the Committee would take into account the precedent set in that regard and the fact that nearly all of the other least developed countries were in group D. Although the change should, ideally, be made with effect from 1 January 1992, when Zambia had formally become a least developed country, he would not insist that the decision should have retroactive effect, in the interest of maintaining a forward-looking perspective.

45. In the context of the efforts of the Committee on Contributions and other intergovernmental bodies of the United Nations to harmonize the scales of assessment for the regular and peacekeeping budgets, it was vitally important that countries such as Zambia should be assessed at the proper rate. Zambia had played an active role in peacekeeping operations and hoped to continue to do so. However, the fact that it was currently paying 50 per cent more than it should be paying had created a situation that was unsustainable for the small Zambian economy. He hoped that the Committee would reach a decision on the matter by the end of the current General Assembly session.

46. Mr. Sengwe (Zimbabwe), Chairman, resumed the Chair.

47. Mr. ZHOU Fei (China) said it was paradoxical, and a violation of the principles of Article 100 of the Charter of the United Nations, to allow officers who were on loan to the Department of Peacekeeping Operations to remain on the payrolls of their respective Governments while expecting that they would not receive instructions from those same Governments. The Organization was not a club for the rich, yet the practice of staffing the Department with officials on loan from Governments had limited the opportunities of officials from developing countries to join that Department, since over 70 per cent of the loaned officers came from developed countries. In those circumstances, it was legitimate to question the Department's impartiality.

48. His delegation had been surprised to learn that some of the loaned officers worked in some of the most sensitive units, such as the Planning Division. He asked for information on which positions in the Department were occupied by loaned officers, by category of country, and whether they enjoyed the same rights as budgeted officers. It had been argued that the use of loaned officers could reduce the Organization's financial burden, and it was true that some countries, especially developing ones, had provided staff members to the Secretariat on a non-reimbursable basis out of genuine concern for the Organization's financial situation. However, there were other countries which, after accumulating huge arrears in their assessed contributions and then making the fulfilment of those obligations conditional on budget and personnel reductions, had placed their nationals in important departments at the expense of their own Governments. That practice raised intriguing questions of motive.

49. The expansion of the Department of Peacekeeping Operations must abide by the Charter and all other relevant provisions, and China was, in principle, against the use of loaned officers. Only by following the procedure laid down in the Charter could the Department be staffed by officials who would faithfully carry out the lofty peacekeeping mission of the United Nations. The urgency of the issue made it imperative to take a decision during the current session of the General Assembly.

50. Mr. NOUR (Egypt) said that he shared the concern of other delegations about the increased use of officials from outside the Organization in the management of the Secretariat in general and of peacekeeping operations in particular. That increase, which exceeded 80 per cent in the Department of Peacekeeping Operations, represented an alarming trend in view of its consequences for international civil service and for the geographical distribution of Secretariat staff. He agreed with the Chinese delegation that the increased use of loaned officers raised questions about how the Secretariat performed its duties and about the loaned officers' accountability to the Administration. He hoped that the Secretariat would complete its comprehensive report on the issue as soon as possible, since the problem was related to other agenda items as well, such as human resources management.

51. Mr. ALOM (Bangladesh) said that the agenda item under consideration involved many long-standing issues which were of particular concern to his delegation. He agreed with the Pakistani delegation that the Secretariat must follow up on General Assembly resolution 48/226 C, paragraph 7, and 50/221 B, paragraph 13, which requested information on the use of loaned personnel in the Department of Peacekeeping Operations.

52. Ms. RODRÍGUEZ ABASCAL (Cuba) said that she shared the views of Pakistan, China, Egypt and Bangladesh on the use of loaned personnel in the Secretariat. She was alarmed by the increase in the use of such personnel, especially in the Department of Peacekeeping Operations, since it could lead to a loss of institutional memory in the Organization. In fact, the use of loaned personnel represented a stopgap solution to the problem of personnel shortages. If Member States decided that they wanted the Organization to carry out certain activities, they must provide it with the necessary resources. The use of loaned personnel created imbalances which were not only geographical, but also political, since such personnel were provided almost exclusively by developed countries. Two years had elapsed since the General Assembly's adoption of resolution 48/226 C, which had requested a report on the subject from the Secretariat; she hoped that the Secretariat would give due priority to the issue at the current session.

53. Mr. GRANT (United States of America), responding to the representative of China, said that the United States was in arrears and provided military officers gratis, but that there was no motivation other than to help the United Nations carry out effective and efficient peacekeeping activities in response to requests from the Secretary-General. The recipient offices had been pleased with the officers seconded. It was not possible under the United States' budgetary system simply to reallocate the money earmarked for such officers and apply it to the assessment for the United Nations. If, however, that United

States contribution was unwelcome, it could be rethought. Any debate on the issues would not, however, be advanced by implying improper motivation.

54. Mr. TAKASU (Controller) said that he regretted the failure to meet the deadline for issuance of the comprehensive report, which was now being finalized. Member States would have an opportunity to review it before the end of the session. The use of loaned personnel, which had originated with the requirement for specialized expertise not available in the Secretariat, had broadened into a general issue, creating a need for a major policy discussion. As a result of the delegation of authority, decisions to employ such personnel had been taken by programme managers without central authority.

55. Two trust funds were managed by the Department of Peacekeeping Operations. The Trust Fund for learned lesson activities stood at some $641,000, provided by three donors. There was also a Trust Fund for military officers on loan in support of peacekeeping, which funded three officers, provided by Member States, and one more officer had been pledged.

56. With regard to travel expenditure in the Department, there were three sources of funding: the regular budget, the peacekeeping support account and the peacekeeping mission itself. Equivalences had been established between loaned military officers and Secretariat positions, but such officers did not hold senior supervisory positions.

57. Ms. DUSCHNER (Canada) asked how much money each trust fund contained.

58. Mr. KAMAL (Pakistan) said that Member States funded the activities of the Organization, including in particular the payment of staff members' salaries, in the expectation that the Secretariat would carry out their instructions. With regard to loaned officers, there had been a clear instruction to issue a report not later than 1 September 1996. The Secretariat had thus had a duty to prepare and issue it but had failed to do so, without even an apology. The facile comment that it was a difficult exercise was simply not acceptable. His delegation would conclude that it might not be able to pay staff members who could not deliver.

59. With regard to travel costs, what was needed was a comparative figure between loaned and non-loaned officers, to allow for a straightforward comparison.

60. Mr. SULAIMAN (Syrian Arab Republic) said that the Secretariat had been requested some two years earlier to issue a detailed report on the use of loaned officers, and he failed to understand why that request had not been met. He trusted that the report would contain the necessary information, including nationality, profession, entry-on-duty dates and where such officers were employed, on which to base an adequate discussion.

61. Mr. TAKASU (Controller) said that the information requested by the Committee would be provided in the report.

AGENDA ITEM 114: PROGRAMME PLANNING (continued) (A/51/6 and A/51/16 (Parts I and II))

Proposed medium-term plan for the period 1998-2001 (continued)

Programme 19. Human rights (continued)

62. Ms. FIGUERA (Venezuela) endorsed the comments made by the representatives of the Non-Aligned Movement and the Rio Group. She supported the restructuring by the United Nations High Commissioner for Human Rights and the establishment of three subordinate branches. There was no duplication in the new, rationalized structure. There was a need for close cooperation between the Centre for Human Rights and the Office of the High Commissioner. The provision of support services by the latter did not entail new resources.

63. She reiterated the views of the Non-Aligned Movement with respect to subparagraphs 19.3 (b) and (j). Reference should be made to bodies for the promotion and protection of human rights, and there should be a clear distinction between peacekeeping and humanitarian activities.

64. The views of the Third Committee should have been presented in an official document, rather than an unprocessed compilation.

65. Mr. FAGUNDES (Brazil) emphasized the importance of activities in support of the right to development in the context of the Vienna Declaration.

66. Mr. ASIRELIN (Indonesia) supported the views of Colombia on behalf of the Non-Aligned Movement and of Malaysia as coordinator of the Working Group on human rights issues. He questioned the inclusion under subprogramme 19.1 of research and analysis, as that would dilute activities in support of the right to development, which should be carried out by a separate branch. There must be a programmatic approach to development, with staffing by competent personnel.

67. With regard to subprogramme 19.3, having the same staff perform both fact-finding and assistance functions would, despite assurances to the contrary by the High Commissioner, lead to a conflict of interest and would undermine the objectives of the programme. In particular, he was concerned about the ability to respond to requests for technical assistance and would like to see human rights fact-finding and field activities included under subprogramme 19.2. He also had concerns regarding the proposed structure of the Centre for Human Rights, which seemed to be moving away from the intergovernmental review process. It was essential to ensure that equitable geographical distribution was maintained.

68. Mr. MIRMOHAMMAD (Islamic Republic of Iran) said that his delegation welcomed the inclusion of crucial concerns under programme 19. There were, however, inconsistencies with the Vienna Declaration and Programme of Action. Not all relevant mandates were reflected in programme 19, which required amendment. In particular, he supported the view expressed by the Group of 77 and China that the Secretariat must respect legislative mandates and must not include elements that were far removed from intergovernmental agreements.

69. With respect to subprogramme 19.1, his delegation supported the statement by Colombia on behalf of the Non-Aligned Movement, and agreed, in particular, on the need for a separate subprogramme on the right to development. It was not clear what share of resources would be allocated to that element under the proposed structure.

70. Programme managers should proceed on the basis of mandated programmes. The restructuring of human rights bodies did not constitute programme mandates, which must be considered by the relevant intergovernmental organ.

71. Mr. GREIVER (Uruguay) said that his delegation endorsed United Nations human rights activities, including the right to development, and supported the important work of the High Commissioner.

72. Mr. ALOM (Bangladesh) supported the statements made on behalf of the Group of 77 and China and the Non-Aligned Movement. Under subprogramme 19.1, the right to development, instead of being linked with research and analysis, should comprise a separate entity. With regard to subprogramme 19.3, the intent of advisory services and technical cooperation was to help countries to develop national plans. Fact-finding bodies, however, represented a conditional element whose procedures might limit sovereignty. With respect to field activities, there must be a working mechanism to integrate such activities into the broad framework of the United Nations system.

73. Mr. XIE Bouhua (China), endorsing the position of the Non-Aligned Movement, said that his delegation attached great importance to human rights but had been concerned by the recent reforms of the United Nations human rights structure. Programme 19 in the form currently before the Committee was deficient and should be revised. The Organization's human rights programmes should comply with the mandates established by the General Assembly and the relevant intergovernmental bodies. They should be formulated with the consent of the full membership of the United Nations. In particular, more emphasis should be placed on the right to development.

74. His delegation shared the concerns voiced by the representative of Cuba that the list of principles in paragraph 19.1 of document A/51/6 (Prog. 19) was not exhaustive in so far as it did not contain all the principles articulated in the Vienna Declaration and Programme of Action. Paragraph 19.2 contained the phrase "to anticipate potential serious violations and react to violations", which needed to be reformulated so as to make it clear precisely which United Nations bodies would react to abuses. Moreover, in speaking of the nature of human rights violations, the programme used terms such as "serious" or "acute", which had not been used in the Vienna Declaration and Programme of Action.

75. The Vienna Declaration had indeed mentioned the inclusion of a human rights dimension in peacekeeping and humanitarian activities, but exactly how such a dimension should be included would have to be decided through consultations between Member States. In its present form, the wording of paragraph 19.3, subparagraph (j), seemed to go beyond the provisions of the Vienna Declaration.

76. Paragraph 19.3, subparagraph (m), referred to non-governmental organizations, grass-roots organizations and civil society. His delegation felt

that the use of such terms was vague and imprecise. Moreover, he reminded the Committee that Economic and Social Council resolution 1996/31 on non-governmental organizations contained no mention of grass-roots organizations or civil society and that it would be necessary to adopt a text that governed or regulated the concepts of grass-roots organizations and civil society.

77. Finally, his delegation shared the widespread misgivings about combining advisory services and technical cooperation with fact-finding procedures and field activities, as proposed under subprogramme 19.3.

78. Mr. DVINIANIN (Russian Federation) said that his delegation attached great importance to the human rights activities of the United Nations and would submit specific proposals on programme 19 in informal consultations.

79. Mr. VARELA (Chile), endorsing the position of the Rio Group, said that the High Commissioner for Human Rights should be the focal point for the Organization's efforts to promote and protect human rights. Human rights activities should be given adequate resources in order to ensure that the objectives agreed upon in the Vienna Declaration and Programme of Action were achieved.

80. Ms. LATERZA (Paraguay), endorsing the position of the Rio Group, stressed the importance which her delegation attached to the right to development. The work of the High Commissioner and the Centre for Human Rights would be seriously compromised if adequate resources were not made available for their work. Her delegation believed that the main task of the Centre for Human Rights was to facilitate the right to development at the regional level. The regional commissions were leading the way in promoting the right to development within the scope of their respective mandates. Programme 19 and all programmes having an impact on the work of the regional commissions should be adopted by the General Assembly.

81. Ms. INCERA (Costa Rica) reiterated her delegation's view that the right to development should form a separate subprogramme. It was the stated position of the Group of 77 and China that no programme should be amended without the approval of the General Assembly. Nor should any restructuring exercise affect existing programmes.

82. Mr. KA (Senegal) said that restructuring should make the Centre for Human Rights a more effective tool and at the same time strengthen the role of intergovernmental bodies and non-governmental organizations in the human rights field. Any restructuring exercise should squarely address the right to development, which was a priority issue for developing countries.

83. His delegation perceived a lack of coherence and central focus in the Organization's approach to the right to development. The same charge of diffuseness could be levelled at other human rights programmes which were of vital interest to developing countries. Nor was his delegation happy about the way in which subprogramme 19.3 lumped together advisory services, technical assistance, fact-finding procedures and field activities.

84. While not opposed to restructuring per se, his delegation believed that any such exercise should be carried out in accordance with established procedures and should benefit from Member States' input. It was astonishing that restructuring had gone ahead without taking account of the views of Member States. As stipulated by his mandate, the High Commissioner should submit any restructuring proposals to the General Assembly, the Economic and Social Council and the Commission on Human Rights.

85. His Government was concerned at the virtual disappearance of programmes focusing on economic and cultural rights and the right to development. A purely functional approach to human rights posed a major threat to certain programmes that benefited developing countries. He was also concerned that the involvement of Governments of developing countries and non-governmental organizations from those countries would decline with the increased use of sophisticated data management systems. Furthermore, his delegation was concerned about the imbalance in geographical representation occasioned by the restructuring of the Centre for Human Rights. African staff members, who generally occupied very lowly positions in the hierarchy, would become increasingly scarce.

86. It was the hope of his delegation that the restructuring exercise would take account of all areas of human rights and strike a balance between the interests of all countries concerned.

87. Mr. HO Tong Yen (Singapore) reiterated his delegation's support for the High Commissioner and the Centre for Human Rights and applauded efforts to strengthen their mandates. Since General Assembly resolution 50/214 had singled out the right to development, that right should be the focus of the restructuring effort. Unfortunately, the right to development had merely been subsumed in a wider programme. His delegation was also puzzled by the division of work within the Centre for Human Rights, for example it was unclear why research had not been made a support service. The right to development was surely important enough to justify a branch of its own within the Centre.

88. While his delegation did not wish to micro-manage the Secretariat, it nevertheless believed that restructuring should be formulated in close consultation with the relevant intergovernmental bodies in cases where reform affected mandated programmes.

89. Ms. ARAGON (Philippines), endorsing the positions of the Non-Aligned Movement and the Group of 77 and China, commended the efforts of the High Commissioner and the Centre for Human Rights and regretted that CPC had been unable to reach consensus on programme 19. Her delegation hoped that agreement could nevertheless be reached to allow the High Commissioner and the Centre to carry out their mandates.

90. Mr. GUTTEROD (Norway), endorsing the position of the European Union, said that a lack of resources could hamper the vital work of the Centre for Human Rights and the human rights treaty bodies. All necessary measures should therefore be taken to enable the Organization's human rights actors to carry out their functions in accordance with their mandates. His delegation therefore supported programme 19 in its present form.

91. Mr. ARMITAGE (Australia), also speaking on behalf of New Zealand, endorsed programme 19 in its present form and reiterated that the High Commissioner and the Centre for Human Rights should receive appropriate resources to enable them to carry out their tasks effectively. The restructuring exercise was a management issue; it was not a matter of policy governance for intergovernmental bodies.

92. Mr. REPASCH (United States of America) regretted that CPC had been unable to reach consensus on programme 19. His delegation welcomed the restructuring of the Centre for Human Rights which had proceeded appropriately and correctly in accordance with the relevant mandates.

93. Mr. HANSON (Canada) said that it was the Secretary-General's prerogative to restructure the Centre for Human Rights and that any such matter was entirely for management to decide. His delegation fully agreed with the functional approach that had been taken. The establishment of appropriate functional subprogrammes and branches to carry out the functions of the Centre was the best way to ensure appropriate programmatic follow-up.

94. The Vienna Declaration stated that all human rights were universal, indivisible, interdependent and interrelated. The right to development was also recognized as an integral human right. It was important not to fracture the integral nature of human rights by singling out any one of its components. Creating an entirely separate subprogramme for the right to development would mean establishing individual subprogrammes for all human rights.

95. Mr. GODA (Japan) regretted that CPC had been unable to reach consensus on programme 19. His delegation supported the current version of programme 19 and the efforts of the High Commissioner in restructuring the Centre for Human Rights. The restructuring exercise would further improve the quality of the Centre's management, thus resulting in greater efficiency.

The meeting rose at 6.10 p.m.